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RUEHHK/AMCONSUL HONG KONG 9291
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C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 000405

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E.O. 12958: DECL: 3/21/2023

TAGS: PGOV TW

SUBJECT: ON THE EVE OF TAIWAN'S PRESIDENTIAL ELECTION

REF: TAIPEI 000386

Classified By: AIT Director Stephen M. Young, Reason 1.4 (b/d)

¶1. (C) Summary: As Taiwan prepares to elect its next president Saturday, March 22, KMT presidential candidate Ma Ying-jeou remains the front-runner, although DPP presidential candidate Frank Hsieh told AIT earlier this week his internal polls indicated the race had tightened to a close 3-5 percentage point contest. Public opinion tracking polls conducted by some pro-KMT media, however, continue to show Ma maintains a 14-18 point lead over Hsieh. The parties and candidates have made a final push over the past week to energize supporters and ensure turnout, expected to fall just below the 80 percent level of 2004. Voters will also cast ballots on the question of Taiwan's entry to the UN, which local pollsters say are unlikely to garner enough participation to meet the minimum threshold for a valid referendum (participation by 50 percent of all eligible voters, approximately 8.7 million votes). The two candidates are scheduled to attend a series of evening campaign rallies in Taipei, Taichung, and Kaohsiung cities. International affairs advisers from the two camps tell AIT a top priority for the winning candidate will be strengthening U.S.-Taiwan relations. End Summary.

Seeing Through the "Fog of War"?

¶2. (C) As Taiwan prepares to elect its next president Saturday, March 22, KMT candidate Ma Ying-jeou remains the front-runner, although DPP candidate Frank Hsieh told AIT earlier this week his internal polls indicate the race had tightened to a 3-5 percentage point contest (Reftel). Public opinion tracking polls conducted by some pro-KMT media, however, continue to show Ma maintains a fairly wide 14-18 percentage point lead over DPP presidential candidate Frank Hsieh. (Note: Taiwan's legal ban on the publication of public opinion polls went into effect ten days ahead of the election. Some polling centers continue to conduct polls, which they have shared with AIT, and plan to release the numbers after the balloting.)

¶3. (C) One of Taiwan's leading pollsters, Global Views Monthly's Tai Li-an, told AIT on March 20 that according to his latest daily tracking poll Ma is projected to win 59 percent of the vote compared to 41 percent for Hsieh. Tai

said the 18 point gap was a "conservative" estimate based on his analysis of voting patterns over the past four years, which reveal a shift in Blue-Green base support from 55-45 in 2004 to 60-40 since Ma's emergence as leader of the KMT in 2005. TVBS polling center director Wang Yeh-ting told AIT on March 20 that his tracking poll showed support for Ma at 52 percent and Hsieh 30 percent, with 18 percent undecided. Allocating the undecideds likely to vote, Wang predicts a 57-43 win for Ma.

¶4. (C) The parties and candidates have been making a final push to mobilize supporters and boost turnout, which Tai projects will be around 78 percent of all eligible voters, close to 2004's 80 percent level. Predicted inclement weather Saturday in the northern part of the island could dampen turnout locally. Some Taiwan election experts tell AIT most voters have already made up their minds and the issues that surfaced during the past week of campaigning, such as Tibet, are unlikely to affect the outcome. One AIT contact noted Taiwan voters are rather parochial, mainly interested in pocketbook issues, and unlikely to be influenced by events in Tibet. Both Tai and Wang said polling numbers for the two candidates have fluctuated over the past week in response to particular events, but gains and losses have proved temporary. Others, however, say Hsieh could still pull off a come-from-behind win with a surge from a last-minute "surprise" or "dirty trick."

UN Referenda Unlikely to Pass

¶5. (C) Voters on Saturday will also have the option of casting ballots for referenda on the question of Taiwan's

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entry to the UN proposed by the DPP and KMT. Both Tai and Wang told AIT that their latest polling suggests neither referendum will meet the minimum threshold (participation by 50 percent of all eligible voters, approximately over 8.7 million votes) required by the referendum law to be considered valid. Tai said his polling suggested participation for both referenda would come in slightly below 40 percent of all eligible voters, with the DPP referendum possibly getting slightly more support than the KMT initiative.

¶6. (C) Examination Yuan President Yao Chia-wen told AIT on March 17 he was not overly confident the referenda proposals would pass given the high threshold required by the referendum law. Nevertheless, Yao said he expects the vast majority of the ballots cast for either referendum would be in support of the initiative. Yao suggested DPP supporters would refer to those numbers to argue that the Taiwan people support a greater role for Taiwan in international affairs.

Developments over the Past Week

¶7. (C) Hsieh continued on the attack in the final week, with campaign rallies and advertising criticizing Ma's "one-China market" and highlighting Tibet as an example of the threat China also poses to Taiwan. Election experts tell AIT the Tibet issue has helped consolidate support from traditional DPP supporters who may have been planning to sit out the election, but has not had as much traction with independents as Hsieh's attacks on the one-China market concept. Hsieh held a press conference on March 15, urging voters to reflect on Taiwan's own fate as they look at Tibet, and attended an evening rally in Taipei on March 19 to show support for the Tibetan people. Ma Ying-jeou held a press conference early in the week to condemn the PRC for its violent crackdown, but argued that Hsieh's comparison of Taiwan to Tibet was inaccurate since Tibet is under PRC rule, while the ROC is an independent, sovereign country.

¶8. (C) Hsieh received high-profile endorsements on March

19-20 from Nobel Prize Laureate Lee Yuan-tseh and former President Lee Teng-hui, though some observers say the decisions by the two Lee's had previously been anticipated and therefore would not draw many new votes for Hsieh. Echoing Hsieh's call to oppose one-party domination, Lee Teng-hui said he decided to endorse Hsieh because of worries that a KMT-controlled government plus legislature would be unhealthy for Taiwan's democracy. Lee Yuan-tseh made a similar point, adding that Hsieh would be better able to represent the broader interests of Taiwan in any future negotiations with China.

The Color of Advertising

¶9. (C) A blitz of political advertising by both parties has appeared on Taiwan's airwaves and newspapers in the final week, with some AIT contacts saying the KMT has outspent the DPP on campaign advertising by ten-to-one over the course of the campaign. AIT's survey of newspaper ads in the last week before the election suggests the KMT has placed 50 percent more ads than the DPP, though factoring the government-run adds funded by the Chen administration, both sides appear to be relatively equal in this final week.

¶10. (C) The DPP launched a series of black-and-white newspaper ads playing to concerns that Ma's liberal cross-Strait policies could lead to a surge of Chinese from the mainland. One ad shows Chinese peasants holding up fake diplomas from prestigious Beijing University, suggesting that fake mainland degree holders would compete with Taiwan workers if Ma were elected. The KMT, for its part, has run a series of "fast food" ads, including an eight-story hamburger, to show Ma will "deliver the beef" if elected.

Election Eve Rallies

¶11. (C) The two candidates will be making their final

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campaign pitches in a series of rallies this evening. Ma will attend events in Kaohsiung and Taichung cities, south and central Taiwan being two key battlegrounds of the election. Hsieh will participate in rallies Taichung and Chiayi, before moving north to Taipei, where he will try to reduce Ma's lead to win the overall election. According to Taiwan's election laws, all campaign activities must cease by 10:00 p.m.

Restoring U.S.-Taiwan Relations a Top Priority

¶12. (C) Insiders from both camps have told AIT that the number one priority once their candidate is elected would be to rebuild mutual trust and confidence in U.S.-Taiwan relations. Tamkang University Professor Alexander Huang, however, suggested that Taiwan's next president could be slow to make real progress in the relationship because of the upcoming change in U.S. administration. A second priority for the winner will be moving on cross-strait initiatives such as charter flights.

¶13. (C) Examination Yuan President Yao Chia-wen told AIT he has spoken to Hsieh on several occasions, advising him that as president he could not afford to repeat President Chen's foreign policy mistakes, in particular in his approach to the U.S.-Taiwan relationship. The first priority of his presidency, Yao advised Hsieh, should be building mutual trust with Washington as well as understanding the strategic, security, economic and other interests shared by the U.S. and Taiwan. Yao said Hsieh responded positively to the advice.

YOUNG